Form (2)

THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

PERMIT

Republic of the Union of Myanmar — Myanmar Investment Commission — Sr.No. 224-D — Date 26.3.2016

Permit No. 1104/2016

Date 26th March, 2016

This Permit is issued by the Myanmar Investment Commission according to the section 13, sub-section (b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter MANAGING DIRECTOR, MYANMA ECONOMIC HOLDINGS LIMITED

(b) Citizenship MYANMAR

(c) Address No. 181, 191 MAHABANDOOLA ROAD, BOTAHTAUNG TOWNSHIP, YANGON

(d) Name and Address of Principal Organization MYANMA ECONOMIC HOLDINGS LIMITED, NO-181, 191 MAHABANDOOLA ROAD, BOTAHTAUNG TOWNSHIP, YANGON

(e) Place of Incorporation MYANMAR

(f) Type of Investment Business PRODUCTION AND SALE OF PETROLEUM PRODUCTS AND SEMI-MANUFACTURED PRODUCTS RELATED TO THE FIVE MILLION METRIC TON REFINERY PLANT

(g) Place(s) at which Investment is permitted THREE MILE SOUTH OF LAUNGLON TOWNSHIP, TOTAL ACRES OF 733.3 OWNED BY MYANMA ECONOMIC HOLDINGS LIMITED, DAWEI DISTRICT, TANINTHAYI REGION

(h) Amount of Foreign Capital US$ 316.17 MILLION

(i) Period for Foreign Capital brought in WITHIN TWO YEARS FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) US$ 2602.57 MILLION (INCLUDING US$ 316.17 MILLION)

(k) Construction Period 2 YEARS

(l) Permitted duration of investment 50 YEARS

(m) Form of investment JOINT VENTURE

(n) Name of Company incorporated in Myanmar LONGWIN GLOBAL PETROCHEMICAL COMPANY LIMITED

Chairman

The Myanmar Investment Commission

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်
ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် - ၁၁၀၄/၂၀၁၆ ၂၀၁၆ ခုနှစ် မတ်လ ၂၆ ရက်

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ-၁၃၊ ပုဒ်မခွဲ(ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ရင်းနှီးမြှုပ်နှံသူ/ကမကထပြုသူ၏အမည် မန်နေဂျင်းဒါရိုက်တာ၊ မြန်မာ့စီးပွားရေးဦးပိုင်လီမိတက်

(ခ) နိုင်ငံသား မြန်မာ

(ဂ) နေရပ်လိပ်စာ အမှတ်- ၁၈၁၊ ၁၉၁၊ မဟာဗန္ဓုလလမ်း၊ ဗိုလ်တထောင်မြို့နယ်၊ ရန်ကုန်မြို့

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ မြန်မာ့စီးပွားရေးဦးပိုင်လီမိတက်၊ အမှတ်-၁၈၁၊ ၁၉၁၊ မဟာဗန္ဓုလလမ်း၊ ဗိုလ်တထောင်မြို့နယ်၊ ရန်ကုန်တိုင်းဒေသကြီး

(င) ဖွဲ့စည်းရာအရပ် မြန်မာနိုင်ငံ

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား တစ်နှစ်လျှင် မက်ထရစ်တန် ၅ သန်းခန့် ထွက်ရှိမည့် ရေနံချက်စက်ရုံနှင့် ရေနံ တင်/ချ ဆိပ်ကမ်းတည်ဆောက်၍ ရေနံထွက်ပစ္စည်းများ တင်ပို့ရောင်းချခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) လောင်းလုံမြို့၏ တောင်ဘက် ၃မိုင် အကွာရှိ (မြန်မာ့စီးပွားရေးဦးပိုင်လီမိတက်ပိုင်) ဆီအုန်းခြံမြေနေရာ ၇၃၃.၃ ဧက၊ ထားဝယ်ခရိုင်၊ တနင်္သာရီတိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်းပမာဏ အမေရိကန်ဒေါ်လာ ၃၁၆.၁၇ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင်ခွင့်ပြုမိန့်ရရှိပြီး ၂ နှစ်အတွင်း

(ည) စုစုပေါင်းမတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၂,၆၀၂.၅၇ သန်းနှင့် ညီမျှသော မြန်မာငွေ (အမေရိကန်ဒေါ်လာ ၃၁၆.၁၇ သန်းအပါအဝင်)

(ဋ) တည်ဆောက်မှုကာလ ၂ နှစ်

(ဌ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း ၅၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ဖက်စပ်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် ကုမ္ပဏီအမည် LONGWIN GLOBAL PETROCHEMICAL COMPANY LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

THE REPUBLIC OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION
No.1, Thitsar Road, Yankin Township, Yangon

Tel: 95-1-658130
Fax: 95-1-658142

Our ref : DICA-5(E)/FI-015/2016(224-D)
Date : 26th March 2016

Subject: Decision of the Myanmar Investment Commission on the Proposal for "Production and Sale of petroleum products and semi-manufactured products related to the five million metric ton refinery plant" under the name of "Longwin Global Petrochemical Company Limited"

Reference: Ministry of Energy, Letter dated (18-2-2016)

1. The Myanmar Investment Commission, at its meeting (10/2016) held on (18-3-2016), had approved that the proposal for investment in "Production and Sale of petroleum products and semi-manufactured products related to the five million metric ton refinery plant" under the name of "Longwin Global Petrochemical Company Limited" submitted as a Joint Venture between Guangdong Zhenrong Energy Company Limited (70%) from the Republic of China, Ministry of Energy (3.5%), Myanma Economic Holdings Limited (20%) and Yangon Engineering Group (6.5%) from the Republic of the Union of Myanmar.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to Foreign Investment Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be initial 50 (fifty) years and extendable 10 (ten) years in 2 (two) times commencing from the date of the issuance of Myanmar Investment Commission's permit. The term of the Land Lease Agreement between Myanma Economic Holdings Limited (lessor) and Longwin Global Petrochemical Company Limited (lessee) shall be initial 50 (fifty) years from the date of signing of the Lease Agreement and extendable 10 (ten) years in 2 (two) times subject to the approval of Myanmar Investment Commission. On the expiry of the Lease period, the lessee shall return the leased land to the lessor without any consideration

within 2 (two) months from the expiration or termination of the Lease Agreement.

4. The annual rent for the land shall be US$ 1,480,000 (United States Dollar one thousand, four hundred and eighty thousand only) calculated at the rate of US$ 0.5 per square meter per year of the land area measuring 2,967,562.438 square metres (733.3 acres).

5 In accordance with paragraph 5.2.1.2 and 5.2.1.3 of the Joint Venture Agreement, Guangdong Zhenrong Energy Company Limited shall be responsible for the bank loan which is approximately 80% of the estimated total project investment. Ministry of Energy, Myanma Economic Holdings Limited, and Yangon Engineering Group Co., Ltd. shall not be liable for the loan or any subsequent re-financing loan if it is required during the project term.

6. Longwin Global Petrochemical Company Limited shall not be allowed to distribute petroleum products and semi-manufactured products to the domestic market. Longwin Global Petrochemical Company Limited can be entitled to compete in bidding process for the distribution of petroleum products and semi-manufactured products to domestic market.

7. In issuing this "Permit", the Commission has granted the following exemptions and reliefs as per Chapter XII, section 27(a), (h), (i) and (k) of Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project:-

(a) As per section 27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial production;

(b) As per section 27(h), exemption or relief from customs duty or other internal taxes or both on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required for use during the period of construction of business;

(c) As per section 27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section 27(k), exemption or relief from commercial tax on the goods produced for export.

8. The Joint Venture Agreement shall have to be signed among Ministry of Energy of Republic of the Union of Myanmar, Guangdong Zhenrong Energy Company Limited , Myanma Economic Holdings Limited and Yangon Engineering Group Company Limited. In addition, Longwin Global Petrochemical Company Limited shall have to sign the Lease Agreement with Myanma Economic Holdings Limited. After signing such Agreements, each of (5) copies shall have to be forwarded to the Commission.

9. Longwin Global Petrochemical Company Limited in consultation with the Company Division, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum of Association and Articles of Association shall have to be forwarded to the Commission.

10. Longwin Global Petrochemical Company Limited shall use its best efforts for timely realization of works stated on the proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

11. Longwin Global Petrochemical Company Limited has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

12. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of construction period shall not be allowed more than twice except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

13. As per Chapter X, Rule 63 of the Foreign Investment Rules, if the investor cannot construct completely in time during the construction period or extension period, the Commission will have to withdraw the permit issued to the investor and there is no refund for the expenses of the project.

14. The investor or promoter shall apply the commencement date of commercial operation with Form (11) for their manufacturing business and report to the Commission in accordance with Foreign Investment Rule 97.

15. Longwin Global Petrochemical Company Limited shall endeavour to meet the targets for production of petroleum products and semi-manufactured products stated in the proposal as the minimum target.

16. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI, section 24 and section 25 of Foreign Investment Law and Longwin Global Petrochemical Company Limited has to follow the existing Labour Laws for the recruitment of staffs, labour and training in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

17. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rule 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under Chapter I, section 2(i) of Foreign Investment Law, other than foreign currency.

18. Whenever Longwin Global Petrochemical Company Limited brings in foreign capital defined under Chapter I, section 2(i) of Foreign Investment Law, other than foreign currency in the manner of paragraph 17(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

19. Longwin Global Petrochemical Company Limited has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 of the Foreign Investment Rules and for account transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the Union and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of a citizen or citizen-

owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

20. Longwin Global Petrochemical Company Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost overrun, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

21. Longwin Global Petrochemical Company Limited shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct an Environmental Impact Assessment (EIA) and an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity. It has to prepare, submit and perform activities in accordance with this EMP and to abide by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

22. Longwin Global Petrochemical Company Limited shall have to abide by the rules and regulations of the Myanma Port Authority for the construction of jetty, Ministry of Transport. Though Myanmar has signed and complied with MARPOL Annex I, II, Myanmar is currently implementing to sign the essential OPRC Convention, CLC Convention, Bunker Convention, Fund Convention. Hence, Longwin Global Petrochemical Company Limited shall have to adapt and abide by the upcoming Law, rules and regulations and amend, if necessary. Longwin Global Petrochemical Company Limited shall make necessary preparations to raise fund for the oil spill breakout.

23. After getting permit from Myanmar Investment Commission, Longwin Global Petrochemical Company Limited shall have to be registered at the Directorate of Industrial Supervision and Inspection.

24. Longwin Global Petrochemical Company Limited shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to undertake such as water storage

tank, fire extinguishers and provide training to use the fire fighting equipments and also to appoint fire safety officer.

25. Longwin Global Petrochemical Company Limited in consultation with Myanma Insurance shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

(Zay Yar Aung)
Chairman

Myanma Economic Holdings Limited

cc: 1. Office of the Government of the Republic of the Union of Myanmar
2. Ministry of Home Affairs
3. Ministry of Foreign Affairs
4. Ministry of Environmental Conservation and Forestry
5. Ministry of Electric Power
6. Ministry of Immigration and Population
7. Ministry of Energy
8. Ministry of Industry
9. Ministry of Commerce
10. Ministry of Finance
11. Ministry of National Planning and Economic Development
12. Ministry of Labour, Employment and Social Security
13. Central Bank of Myanmar
14. Office of the Taninthayi Region Government
15. Director General, Fire Services Department
16. Director General, Department of Environmental Conservation
17. Director General, Immigration and National Registration Department
18. Managing Director, Myanma Oil and Gas Enterprise
19. Managing Director, Myanma Petroleum Products Enterprise
20. Director General, Directorate of Industrial Supervision and Inspection

21. Director General, Department of Trade
22. Director General, Department of Mines
23. Managing Director, No. (1) Mining Enterprise
24. Director General, Customs Department
25. Director General, Internal Revenue Department
26. Director General, Directorate of Investment and Company Administration
27. Director General, Directorate of Labour
28. Managing Director, Myanma Electric Power Enterprise
29. Managing Director, Myanma Foreign Trade Bank
30. Managing Director, Myanma Investment and Commercial Bank
31. Managing Director, Myanma Insurance
32. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry(UMFCCI)